

# **IOWA GOVERNOR'S OFFICE OF DRUG CONTROL POLICY**

## **Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Grant Program/ Drug Control and System Improvement Grant Program**

### **Standard Grant Conditions FFY 2003**

1. **General:**

The Grantee shall provide the necessary facilities, materials, services, and qualified personnel to perform and/or provide all the services set forth in the approved application and the letter of notification for the grant amount. The grant budget will be a basis for the Grantee's expenditure of the grant amount. Acceptance of the terms and conditions of the grant is indicated by the applicants' signatures on the grant contract and by requesting and expending grant funds.

The Grantee agrees to indemnify and hold harmless the Governor's Office of Drug Control Policy (ODCP) and the State of Iowa for all loss and damage sustained and liability incurred by the Grantee.

The Grantee hereby agrees to abide by all applicable federal, state, and local laws, rules and regulations. The Certified Assurances and forms signed by the Grantee in making application for grant funds are incorporated herein.

2. **Definitions:**

- a. "State" means the State of Iowa.
- b. "ODCP" means the Governor's Office of Drug Control Policy.
- c. "Grantee" or "Legal Applicant" means the governmental or non-profit agency contracting with the Governor's Office of Drug Control Policy.
- d. "Program Director" means the person who has been delegated authority to administer the project described in the application.
- e. "Special Conditions" means those conditions applying uniquely to this contract as identified on the grant contract page.
- f. "Standard Grant Conditions" means those conditions applying to all ODCP contracts.

3. **Accounts and Records:**

- a. The Grantee shall comply with the provisions of the Office of Justice Program's (OJP) Financial Guide updated April 2002.

- b. The Grantee shall maintain accurate, current, and complete records of the financial activity of this contract, including records which adequately identify the source and application of funds. Grantees are expected to maintain separate records for each Federal grant or program. Cash or matching contributions made by the Grantee shall be verifiable from the Grantee's records. These records shall contain information pertaining to contract amount, authorizations, obligations, unobligated balances, assets, liabilities, expenditures, and program income.
- c. Effective control and accountability shall be maintained for all assets, including current and accurate equipment inventory records. The Grantee shall adequately safeguard all such property and shall assure that it is used solely for authorized purposes. Accounting records shall be supported by source documentation such as canceled checks, paid bills, payrolls, contract award documents, etc.
- d. The Grantee, in making project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the ODCP.
- e. The Grantee agrees to maintain a sufficient recordkeeping system to provide statistical data for the purpose of planning, monitoring, and evaluating their program.
- f. All pertinent records and books of accounts related to this contract shall be retained for a period of three (3) years—following the closure of their most recent audit report. In the event of litigation, negotiation or audit findings, the records shall be retained until all issues arising from such actions have been resolved or until the end of the regular three-year period, whichever is later.

4. **Cash Match:**

Grant funds may be used to pay up to 75 percent of the cost of a program or project. The remaining non-federal share shall be in the form of "cash". The Grantee must be able to demonstrate that the "cash" match was from a new appropriation, or from existing resources which were not intended for drug law enforcement.

All Grantees must maintain records which clearly show the source, the amount, and the timing of all match contributions. The following may be used as cash match:

- a. Local and state appropriations;
- b. Funds contributed from private sources;
- c. Federal funds from the following sources:
  - 1.) Housing and Community Development Act of 1974;
  - 2.) Appalachian Regional Development Act;

- 3.) General Revenue Sharing;
- d. Existing Resources (as long as the existing funds were used in areas other than drug law enforcement);
- e. Salaries of existing personnel who are transferred to grant activities (if the original positions are filled with new personnel);
- f. Asset forfeiture funds adjudicated by a state or federal court;
- g. Program income and the related interest earned on that program income generated from projects may be used as match provided it is identified and approved prior to making an award;
- h. Funds appropriated by Congress for the activities of any agency of a Tribal government or the Bureau of Indian Affairs performing law enforcement functions on Tribal lands;
- i. Otherwise authorized by law.

All funds designated as match are restricted to the same use as the Byrne program funds. The matching share must be obligated by the end of the period for which the federal funds have been made available for obligation under an approved program or project. The Grantee must submit a written plan for expenditure of matching funds if requested by ODCP.

5. **Non-Supplanting Requirement:**

Federal funds must be used to supplement existing funds for program activities and not replace those funds which have been appropriated for the same purpose. Potential supplanting will be the subject of application review, as well as pre-award review, post-award monitoring, and audit. If there is a potential presence of supplanting, the grantee will be required to supply documentation demonstrating that the reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

6. **Program Income:**

“Program income” means gross income earned by the Grantee during the grant period as a direct result of the grant award. Direct result is defined as a specific act or set of activities that are directly attributable to grant funds and which are directly related to the goals and objectives of the project.

Program income shall be used for any purpose that furthers the broad objectives of the legislation under which the award was made.

7. **Subcontracting:**

None of the activities or funds of this grant shall be subcontracted to another organization or individual without specific prior approval by ODCP, with the exception of subcontracts

under \$1000. Open and free competition is required. To obtain ODCP approval, the Grantee shall submit the proposed contract or written agreement between the parties. The contract or agreement must contain a list of the activities to be performed by the subcontractor, and the contract policies and requirements.

8. **Property and Equipment:**

- a. Iowa Administrative Code, General Services [401, Chapters 10.2(7A)] and Chapter 6 of OJP's Financial Guide prescribe property rules and regulations.
- b. Grantee shall develop procedures to assure competitive acquisition of approved purchases.
- c. Definition of Equipment: Any item costing \$5,000 or more and having an anticipated useful life of more than one year. Chairs, tables, files and movable partitions costing less than \$5,000 shall be accounted for in aggregate. All other items of equipment shall be accounted for by separate serial numbered tags.

The above definition prescribes a minimum of items which must be considered as equipment. The Grantee's accounting system may include other items of equipment as well.

- d. The Grantee shall maintain property records, inventory control, and maintenance procedures for all non-expendable property purchased all or in part with grant funds. An inventory report form must be completed and submitted to ODCP with the annual project report. Procedures for managing equipment (including replacement, whether acquired in whole or in part with project funds), will, at a minimum, contain records which include the following:
  - 1.) Description of the property;
  - 2.) Serial number or other identification number;
  - 3.) Source of the property;
  - 4.) Identification of who holds the title;
  - 5.) Acquisition date;
  - 6.) Cost of the property;
  - 7.) Location of the property;
  - 8.) Disposition data including the date of disposal and sale price.
- e. Title of Property: Notwithstanding any other provision of law, title to all expendable and nonexpendable property purchased with grant funds made available under the Byrne Grant Program shall vest in the agency that purchased the property, if it certifies to the ODCP that it will use the property for the purposes outlined in the grant application. If such certification is not made, title to the property shall vest in the State of Iowa, which shall seek to have the property used for drug and violent crime control program improvement purposes elsewhere in the state prior to using it or disposing of it in any other manner.

- f. Use of Property: The Grantee may use property acquired in whole or in part with Federal funds for the authorized purpose of the original grant as long as needed whether or not the program or project continues to be supported by federal funds.

9. **Travel:**

Travel specifically identified in the grant application and approved budget is approved for reimbursement by ODCP. Out of state training and travel not identified and approved in the application and grant budget requires approval by ODCP prior to reimbursement. Requests for out-of-state training and travel must be submitted to ODCP in writing.

Recipients shall follow their own written policy for allowable travel cost. In the event a reasonable and prudent policy does not exist, state of Iowa approval rates will apply to subrecipient travel costs. *(Present state rates are as follows: \$.29 per mile, breakfast-\$5.00, lunch-\$6.00, and dinner-\$12.00. The employee must be in travel status before 7 a.m. to be eligible for breakfast and after 6 p.m. to be eligible for dinner. The maximum in-state lodging reimbursement rate is \$45.00 plus tax.)*

10. **Payments:**

This grant is an expenditure reimbursement grant. Expenditure reports must be submitted monthly. Reimbursement shall be made on program cash expenditures included in the grant budget and upon the receipt and acceptance by ODCP of a properly completed and authorized expenditure report and supporting documentation. Reimbursement must be requested within 30 days after the end of the period for which payment is being requested. Payments may be adjusted to correct disallowance's resulting from audit or contract review. Monthly reimbursement may be withheld if a grantee is delinquent in program reporting or if the grantee fails to meet any contract condition.

11. **Reporting:**

**Form to be Used:**

**Due Date:**

- a. Monthly Expenditure Report  
Purchase Order/Payment Voucher

Due by the 30th day of **each** month, following expenditures.

**If there are no expenditures, it is still necessary to submit an expenditure report, documenting no expenditures.**

- b. Program Progress Reports  
*New Projects* (and those required to submit quarterly)

**Due Date:**

October 31, 2003  
January 31, 2004  
April 30, 2004  
July 31, 2004

*Continuation Projects*  
Progress Reports are due to

January 31, 2004

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| c. | <u>Inventory Report Form</u><br>Equipment purchased all or in part with grant funds must be listed on the inventory report form. (See property.) Due to ODCP 30 days after the grant period. | <b><u>Due Date</u></b><br>July 31, 2004   |
| d. | <u>Annual Audit Report</u><br>If agencies are exempt from audit requirements, justification is due prior to completion of audit and prior to due date.                                       | <b><u>Due Date</u></b><br>For July 1, through June 30, 2004 audit is due by March 31, 2005. |

12. **Awards to private agencies - accounting system audit requirement.**

The governor or a state agency, prior to awarding a grant or purchase of service contract to a private agency, shall obtain from the auditor of state or the auditor's designee a certification stating that the grantee or contractor has an accounting system adequate to effect compliance with the terms and conditions of the grant or contract. The certification shall include an evaluation of internal controls in the accounting system to determine whether the system provides reliable information and promotes efficient operation of the agency. A private agency awarded a grant or purchase of service contract by or through the governor or a state agency shall submit to the audit required by this section prior to the actual transfer of funds and shall pay for the audit under chapter 11. The auditor of state may accept an audit report by an independent certified public accountant as evidence of adequacy. To the extent possible, the auditor of state shall use existing records on file in the auditor's office to make a determination of adequacy. This section shall apply only when the grant or contract exceeds one hundred fifty thousand dollars or when the grant or contract together with other grants or contracts awarded by the governor or a state agency during the fiscal year exceeds one hundred fifty thousand dollars in the aggregate.

13. **Audits:**

Subrecipients of federal funds are required to permit access to their records and financial statements as necessary to comply with OMB Circular A-133 Audits of State and Local Governments and Non-Profit Organizations.

Non-Federal entities that expend \$300,000 or more in Federal funds (from all sources including pass-through subawards) in the state fiscal year (July 1 - June 30) shall have a single organization-wide audit conducted in accordance with the provisions of OMB Circular A-133.

Non-Federal entities that expend less than \$300,000 a year in Federal awards are exempt from Federal audit requirements for that year. Records must be available for review or audit by appropriate officials including the Federal agency, pass-through entity, and General Accounting Office (GAO).

A management letter must be submitted with the audit report. Grantee audit reports must be submitted no later than nine (9) months after the close of each fiscal year during the term of the award. Grantees shall comply with any audit resolution activities as directed by ODCP.

Audit costs for audits not required or performed in accordance with OMB Circular A-133 are not allowable. If the grantee did not expend \$300,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit; these costs may not be charged to the grant.

14. **Monitoring/Evaluation:**

The Governor's Office of Drug Control Policy may conduct site visits to review grant compliance, assess management controls, assess the applicable activities or strategies, and provide technical assistance. In addition, the Grantee agrees to provide any data or information for the purposes of monitoring and program evaluation. Such evaluation may be conducted by ODCP or other appropriate agencies. The Grantee agrees to ensure the cooperation of the Grantee's employees and board members in such efforts.

Following each site visit, ODCP shall submit a written report to the Grantee which will identify the findings of the site visit. A corrective action plan with a timetable to address any deficiencies or problems noted in the site visit report may be requested by ODCP. The corrective action plan shall be submitted to ODCP for the approval within the timeline outlined in the written report. The Grantee agrees to carry out the plan after it is approved by ODCP. Failure to do so may result in suspension or termination of funding.

15. **Changes in the Program:**

- a. Changes in Service: Changes in types of services provided by the Grantee as outlined in the application and award require **prior approval** by ODCP. Discontinuation of a service may result in a decrease in the grant amount.
- b. Changes in Location: ODCP must be notified of any change in office or service location (relocation, addition, or deletion) from that shown in the application within 72 hours of such change.
- c. Changes in Program Director or Other Personnel : When there is a change in the program director or any other personnel supported by the grant from that shown on the application, ODCP must be notified. The Grantee is responsible for replacement, and notifying ODCP in writing of each action within 72 hours.

- d. Change in Legal Applicant/Grantee: A change in legal applicant is the process whereby the legal and administrative responsibility for administering the grant is transferred from one legal entity to another. A change of Grantee must be approved in advance by ODCP. ODCP reserves the right to not contract with a new Grantee. A written agreement of the original Grantee to relinquish all rights to the project; and, a written agreement of the new Grantee to accept all the terms and conditions of the contract must be submitted to and approved by ODCP prior to the date of transfer.
- e. Change in Budget: Due to the fact that budget line item amounts are only estimates of budget expenditure, funds may be reallocated among budget line items. Budget revision requests must be submitted to, and approved by, ODCP prior to the revised expenditure of funds. ODCP will not reimburse funds for unapproved expenditures. Budget revisions may be requested – using the appropriate form – by the legal applicant and/or the legal applicant's authorized designee (e.g. the Program Director), who must certify that the change in budget does not constitute a change in the goals and objectives of the program.

16. **Withholding of Support, Suspension, and Termination:**

- a. Withholding of Support: With ten (10) days written notice, ODCP may temporarily withhold payment of funds until a corrective action plan has been submitted by Grantee and approved by ODCP. Reasons may include, but are not limited to the following:
  - 1.) Delinquency in submitting required reports;
  - 2.) Failure to provide adequate management of the funds;
  - 3.) Failure to show satisfactory progress in achieving the objectives of the program or failure to meet the terms and conditions of the contract; and
  - 4.) Failure to regularly coordinate the activities and services with other local providers funded by ODCP. Temporary withholding of funds does not constitute just cause for the Grantee to interrupt services to clients.
- b. Suspension: When, as determined by ODCP, a Grantee has materially failed to comply with the terms and conditions of the grant, ODCP may, with ten (10) days written notice to Grantee, suspend the grant. Only necessary and proper costs that ODCP agrees could not have reasonably been avoided during the period of suspension will be paid by ODCP. Suspension shall remain in effect until the Grantee has shown to the satisfaction of the ODCP that corrective action has been or will be taken, or until ODCP terminates the grant.
- c. Termination:
  - 1.) Termination for Cause: The ODCP may terminate a grant in whole or in part anytime before the date of completion if ODCP determines that the Grantee has failed in a material way to comply with the terms and conditions of the grant. To terminate a grant, ODCP must send written notice to the Grantee stating the date and reasons for the termination. Payments to the Grantee



will be only for services provided or purchases authorized up to the date of termination. Recovery of funds by ODCP shall be made in accordance with the terms and conditions of this grant.

- 2.) **Termination on Other Grounds:** In addition to termination for cause, ODCP grants may be terminated in whole or in part as follows:
- (a) By ODCP with the consent of the Grantee. Both parties agree on the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated.
  - (b) By the Grantee. Thirty (30) days written notice to ODCP is required. Such notice shall set forth the reason for such termination. Termination of part of the grant is subject to Section 14 entitled "Changes in the Program."
  - (c) By ODCP due to the lack of adequate funds to support the grant. Should this contract terminate prior to the expiration date as set forth in the grant cover page, the Grantee agrees to deliver such information and items which are due as of the date of termination. The ODCP shall not be liable for unemployment compensation arising from the termination of this grant.

17. **Copyrights:**

The Bureau of Justice Assistance, U.S. Department of Justice and ODCP reserve a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use: a) the copyright in any work developed under a grant, or contract under a grant or subgrant; and b) any rights of copyright to which Grantee or contractor purchases ownership with grant support.

18. **Publicity:**

Program directors are encouraged to make the results and accomplishments of their activities available to the public. Prior ODCP approval is not needed for publishing the results of an activity under a grant project, however, an acknowledgment of Federal support must be made. Grantee shall, when issuing statements, press releases, and other documents describing the grant project, clearly state: a) the percentage of the total cost of the project which will be financed with Federal funds; and b) the dollar amount of Federal funds for the project.

Any publication (written, visual, or sound), whether published at the grantee's or government's expense, shall contain the following statements: (NOTE: This excludes press releases, newsletters, and issue analyses.)

"This project was supported by Grant No.\_\_\_\_\_, awarded by Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Points of view in this document are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice."

19. **Release of Information and Confidentiality of Records:**

- a. Release of Grant Information: The Grantee is required to make available all records, papers and other documents kept by the Grantee relating to the receipt and disposition of any funds, if requested by any member of the public. All such records shall be available except when access to the records is limited by federal confidentiality regulations. The intended use of such information will not be a criterion for release.
- b. Confidentiality of Client Records: Privacy rights of parents and students apply to this program. Grantee policies and procedures shall provide that records of the identity, diagnosis, prognosis, or treatment of any client which are maintained in connection with the performance of the grant be kept confidential and be used only for the purposes and under the circumstances expressly authorized under the federal confidentiality regulations "Confidentiality of Alcohol and Drug Abuse Patient Records Final Rule," CRF Part II, as published in the Federal Register on June 9, 1987, available from the ODCP.

20. **Conflict of Interest:**

The Grantee shall establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties.

21. **Drug Free Workplace:**

All recipients receiving awards from the Governor's Office of Drug Control Policy shall certify that they will maintain a drug-free workplace, or in the case of a recipient who is an individual, certify to the agency that his or her conduct of award activity will be drug-free. If a recipient makes a false certification, the recipient is subject to suspension, termination, and debarment. In order to comply with the Drug Free Workplace Act of 1988, Grantees are required to report any conviction of their employees under a criminal drug statute for violations occurring on the Grantees premises or off the Grantee's premises while conducting official business. A report of a conviction must be made to ODCP within ten (10) days of receiving notices of such conviction.

22. **Americans With Disabilities Act:**

The Grantee hereby assures and certifies compliance with Subtitle A, title II of the Americans with Disabilities Act (ADA), 42 U.S.C. 12131-12134, and Department of Justice implementing regulation, 28 CFR Part 35.

23. **Immigration and Naturalization Service**

The grantee shall complete and keep on file, as appropriate, Immigration and Naturalization Service Employment Eligibility Verification Form (I-9). This form is to be used by recipients of Federal funds to verify that persons are eligible to work in the United States.

24. **EEOP Requirements**

- a. All grantees with 50 or more employees must send their Equal Employment Opportunity Plan (EEO) to the Office of Civil Rights (OCR) within 60 days of receipt of their contract for funding. If they have already submitted an EEO as part of another award from the Office of Justice Programs (OJP) within this grant period, or if they have certified that no EEO is required, it is not necessary for them to submit another at this time. Simply send a copy of the letter received from OCR showing that your EEO or certification is acceptable.
- b. In addition, all recipients, regardless of their type, the monetary amount awarded, or the number of employees in their workforce, are subject to the prohibitions against discrimination in any funded program or activity. Therefore, the Office of Civil Rights investigates complaints by individuals or groups alleging discrimination by a recipient of OJP funding; and may require all recipients, through selected compliance reviews, to submit data to ensure their services are delivered in an equitable manner to all segments of the service population and their employment practices are in compliance with equal employment opportunity requirements.
- c. The Grantee shall comply with all relevant provisions of the Iowa Civil Rights Act of 1965 as amended, Iowa Executive Order #15 of 1973, Federal Executive Order 12246 of 1965 as amended by Federal Executive Order 11375 of 1967, the Equal Employment Opportunity Act of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.
- d. The Grantee, if required, must make available, upon request, its Affirmative Action Program containing goals and time specifications.
- e. This contract may be suspended or terminated, in whole or in part, in the event of the Grantee's noncompliance with this section and the Grantee may be declared ineligible for further contracts with ODCP. Additionally, ODCP may take further action by imposing other sanctions or invoking other remedies as provided by the Iowa Civil Rights Act of 1965 or as otherwise provided by law.

25. **Lobbying Restrictions:**

The Grantee agrees that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of

a member of Congress in connection with this Federal contract or grant, and the Grantee receives Federal funds exceeding \$100,000, the Grantee shall complete and submit standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. This form is available from ODCP.

- c. The Grantee shall require that the language of this certification be included in any subcontracts and that all contractors shall certify and disclose accordingly. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

26. **Liability:**

- a. If any provision contained herein is in conflict with any state or federal law or shall be declared to be invalid by any court of record of this State, such invalidity shall affect only such portions as are declared invalid or in conflict with the law. Any remaining portion ruled valid by the court shall continue to be in effect.
- b. ODCP reserves all administrative, contractual and legal remedies which are available in the event that the Grantee violates or breaches the terms of this contract.

27. **Contested Cases - Administrative Procedure Act:**

Grantees who wish to contest the application of these standard grant conditions may do so in accordance with Chapter 17A of the Code of Iowa.